

MEXICO CITY AGAIN HELD BY CARRANZA

Advises Washington He Plans To Relieve Distress and Re-establish Government

WILL ASK RECOGNITION

Railway To Vera Cruz and From Mexico City To North and Northeast To Be Re-opened; Carranza Will Yield To Any Proposal For Peace Conference

(By the Associated Press).

Washington, D. C., July 31.—While reports of the reoccupation of Mexico City by General Gonzales lacked official confirmation tonight, it was known that General Carranza had ordered his forces back into the capital. General Carranza also ordered patrols along the Mexican railroad between Apizaco and Mexico City to protect it from bandit raids.

The order followed closely the receipt by General Carranza of the vigorous representations sent by Secretary Lansing urging that the railway be reopened and kept open so the starving population of Mexico City could be fed. Similar representations went also to Generals Villa and Zapata.

Notification of the order from General Carranza to General Gonzales reached the State Department today, and immediately afterwards news was received unofficially that the advance guard of Gonzales forces already had entered Mexico City. General Gonzales will enter the city tomorrow, civil government will be reestablished and plans for relieving distress among the people formulated.

Carranza's prompt response to insistence by the United States was regarded here as averting necessity for immediate action by this government to insure transportation of provisions to the Mexican capital. General Carranza was told in the message sent Thursday night that if he could not handle the situation it would be necessary for the United States to act.

An outline of General Carranza's plans to relieve distress in Mexico City are for re-establishment of government was conveyed to the State Department today. Strong intimations were made also that he would soon formally ask the United States to recognize a defacto government pending a constitutional election.

As outlined to the State Department, General Carranza's plan is as follows:

General Gonzales will set up civil government in Mexico City at once, distribute food to suffering people and establish a monetary system so that stores and banks can be reopened. Troops will patrol the railroad to Vera Cruz, which will be opened at once. Provision trains will be started for the capital under heavy guard.

In co-operation with General Obregon, Gonzales' troops will reopen the railroad lines from Mexico City to the north and northeast toward Torreon and San Luis Potosi, and transportation will be re-established into the State of Michoacan, where the government has stored 280,000 bushels of corn.

The plan upon which General Carranza will base his claim for recognition includes removal of his seat of government to Mexico City as soon as Gonzales has the situation in and around Mexico City under complete control.

Municipal elections in the various States and the calling of an extra session of the Mexican congress to choose a provisional president would follow. Carranza's agents here maintain that he now is powerful enough to carry out his program and can demonstrate that such a government will be entitled to recognition by the United States.

General Carranza is said to be firmly resolved not to yield to any proposal for a peace conference with his adversaries.

What influence this outline of Carranza's purposes will have on the plans for dealing with the Mexican situation now being considered by President Wilson is not known here. If Carranza succeeds in opening communication to Mexico City and carries out also his campaign against General Villa toward the north and northwest, it might serve to delay any contemplated action by the United States.

To prevent Carranza from receiving the moral support of the United States, Villa and his adherents have proposed the counter-plan that all faction leaders join in a peace conference, select a man for provisional president entitled to it under the constitution, and then hold regular elections. If Carranza will not yield to this, they suggest that the United States support them in such a conference without him, provided they can show that they represent a majority of the people.

EVACUATION OF WARSAW BEGINS

German Observation Aviators Report Russian Troops Moving Eastward

AUSTRIANS ENTER LUBLIN

Invaders Thus Have Succeeded in Cutting The Lublin-Chelm Railroad an Important Line of Communication With Russians Between Vistula and Bug

(By the Associated Press).

Warsaw, the goal of Teutonic armies in the East, is being evacuated by the Russian forces, according to advices received from Liabach, Austria, transmitted through Geneva. German aviators returning from observations over the Polish capital, reported that the troops of Grand Duke Nicholas could be seen retiring to the eastward.

A hundred miles southeast of Warsaw, Austro-German cavalry have entered Lublin, one of the chief cities of Poland. The Austro-German military commanders have thus succeeded in cutting the Lublin-Chelm railroad an important line of communication, with the Russians massed between the Vistula and Bug rivers.

To the north of Warsaw, the Germans are making a determined effort to reach Vilna, with the object of severing the Warsaw-Petrograd railway and of making more hazardous the retirement of the Russian forces in the region of the Polish capital.

Military operations in the western theatre were confined to artillery duels, the explosion of mines and attacks by aeroplanes. German aviators dropped bombs on the French towns of Gravelines, Pol-sur-Mar and Nancy, but according to the French official communication no great damage was done.

Steamer Torpedoed.

The British steamer Iberian of 5,223 tons gross burden and owned by the Leyland Line, carrying a large crew and a number of muleteers back to the United States was torpedoed and sunk by a German submarine. Sixty-one members of the crew were saved, but seven, including one American, are reported to have lost their lives. The captain of the Iberian, according to the report of the American consul at Queenstown attempted to escape and was shelled by the submarine. The crew was given time to enter the life boats before the vessel was torpedoed and sent to the bottom.

Eight more British fishing trawlers have been accounted for by German under-sea boats. The crews of all the vessels were saved.

Germany's reply to the American note of June 24 regarding the sinking of the American wheat ship William P. Frye by a German commerce raider in the South Atlantic has been despatched to Washington.

Anti-American outbreaks are reported by travelers arriving at Zurich, Switzerland, to have taken place in Berlin. Students are said to have gathered in front of the American embassy building, hooting and yelling until dispersed by the police.

Situation at Warsaw.

London, July 31.—The fate of the Russian armies in the Polish Salient still hangs in the balance. No official confirmation had been received up to a late hour tonight of the evacuation of Warsaw by the Russian troops but they are withdrawing eastward is certain.

What portion will succeed in getting back to the new line is a matter of speculation. The arrival of Austrian cavalry at Lublin, officially announced from Vienna, shows that the southern line of retreat is entirely barred to the retiring army.

There remain, however, the main double track route through Minsk and an equally good road from Ivangorod through Lukow and the northern line, which runs south of the Bug river, to say nothing of innumerable vehicular roads which enter the Polish capital from the east. Therefore, so long as Field Marshal Von Hindenburg is prevented from crossing the Bug from the northeast, it is believed Grand Duke Nicholas has still an excellent chance of saving his whole army.

Will Face Another Danger.

When the Russians do reach the new line of defense they will be faced by another danger—that arising from the advance of General Von Buelow's army, composed largely of cavalry, which is now approaching the fortress of Kovno and which is within three days' march of the Vilna-Petrograd railway.

It probably will be several days before the struggle is finally decided. Nobody questions the fact that with the capture of Warsaw the Germans

U. S. TO MAINTAIN PEACE IN HAITI

Apparently Preparing For Prolonged Stay of Naval Forces at Port Au Prince

THE CONNECTICUT ON WAY

Her 500 Marines Will Augment 400 Now Guarding City; Six Haitians Killed in Thursday Night's Engagement; No Withdrawal of Force Until Lasting Peace Is Insured

(By the Associated Press).

Washington, July 31.—The United States apparently is preparing for a prolonged stay of American naval forces in Port-Au-Prince, Haiti, where two bluejackets and six Haitians have been killed in fighting which followed the landing of Rear Admiral Caperton's forces to protect foreign lives and property. The battleship Connecticut sailed from Philadelphia today with five hundred marines to reinforce the four hundred marines and bluejackets now guarding the city. The transport Hancock and the hospital ship Solace will follow and other aid will be sent as necessary.

Admiral Caperton believes further disturbances are likely, and it is understood the American forces will not be withdrawn until a definite settlement insuring lasting peace has been reached.

Admiral Caperton advised the navy department today that six Haitians were killed and two wounded in the engagement Thursday night when two American seamen lost their lives. Disarming of the natives continued, he said, and quiet generally prevailed both at Port-Au-Prince and Cape Haitien where American forces also are on guard.

Political activity resulting from the overthrow of the Guillaume government, he reported, already had manifested itself, the revolutionary committee having declared for Rosalvo Bobo, leader of the recent unsuccessful revolt at Cape Haitien. Another aspirant is named Baurand. There are many unemployed men in and around Port-Au-Prince, complicating the situation.

No representations will be made to Haiti, it was officially stated today, until a new government is established with which the United States can deal. As soon as possible, however, efforts will be made to negotiate a treaty whereby the United States would manage the finances of Haiti and secure the right to intervene in the interest of peace.

Prisoners In Tombs Chew Up Collars, Munch Shirts

Chemist Finds Starch Used In Linen Contained Solution of Drug Used By "Dopers."

(By the Associated Press).

New York, July 31.—For several weeks a number of inmates of the Tombs prison have been observed indistinctly chewing up their linen collars and munching their shirts. One prisoner, it was said, had eaten up virtually all the collars he owned.

In reply to questions the prisoners told the keepers that they had been tobacco or gum chewers for years, and that not having either they found particular comfort in chewing their linen. But the keepers were skeptical.

Today when fresh laundry arrived it was subjected to a test. A chemist found that the starch used in the linen sent to the prisoners by relatives contained a solution of a drug taken by habitual drug users.

HELD FOR FEDERAL COURT IN ARKANSAS FRAUD CASES.

(Special to The News and Observer).

Salisbury, July 31.—W. H. Hobson, United States Commissioner, today sent up to Federal court for trial at Asheville Moses B. Brock, alleged to be connected with the new famous government fraud cases at Fort Smith, Ark. Brock was arrested by Deputy Marshall James McKenzie in Davie county yesterday.

will score a victory which will not only put the Russians on the defensive for many months, perhaps well into next year, but which will greatly hearten the civilian population of the central powers and release an army of one million or more men for an offensive in the west.

GERMANS TORPEDO BRITISH STEAMER

Five of The Crew of Leyland Liner Iberian Killed By Submarine Shell Fire

ONE AMERICAN ALSO SLAIN

He Was a Muleteer Named Whyley; Vessel Disregarded Underwater Craft's Warning; Sixty-one of Crew Landed Safely; Ship Used For Transporting Supplies

(By the Associated Press).

London, July 31.—The Leyland liner Iberian has been sunk by a German submarine. Five members of the crew were killed, two died aboard a rescue boat and sixty-one were landed safely.

The casualties on board the Iberian were caused by shell fire. The submarine then torpedoed the Leyland liner and the vessel went to the bottom.

The Iberian, of 5,223 tons gross, sailed from Boston July 7 for Manchester, where she was reported to have arrived July 29. F. Leyland and Company, Limited, Liverpool, were the owners.

Upon her arrival at Boston from Manchester and Liverpool on July 2 members of the crew told of being chased by a German submarine when only a few miles from the mouth of the Mersey. The ship escaped, however.

The Iberian has been used for several months for the transportation of war supplies between the United States and England.

One American Victim.

Washington, July 31.—Only one American, a muleteer named Whyley, was killed when the Iberian was sunk. American Consul Frost, at Queens-town, reported today that the Iberian disregarded the submarine's warning to stop. Later the German commander gave the crew time to take to the boats before firing a torpedo.

Consul Frost's report said: "Steamer Iberian submarined. Whyley, American muleteer killed. Ship surgeon Burns of the Iberian, an American citizen, stated that submarine did not shell Iberian until the latter disregarded signal. Gave them time to take boats. Whyley died from shock and superficial wounds. No other Americans injured."

Michigan Girl Who Is Heiress To \$30,000,000 Weds

Husband Secretary to Manager of Company. The Stock of Which Forms Bulk of Her Wealth.

(By the Associated Press).

Harbor Springs, Mich., July 31.—Catherine Barker, of Harbor Point, daughter of the late John H. Barker, and heiress to \$30,000,000, was married here today to Howard H. Spaulding, Jr., of Chicago. The ceremony took place at the bride's magnificent summer residence and was conducted by Rev. John M. Bleckmann of Mishawaka, Ind., for eight years chaplain of the Michigan City penitentiary.

Hundreds of guests from all sections of the United States and representing hundreds of millions of dollars were present to witness the ceremony which made the richest young woman in the country the wife of the secretary to the manager of the company, the stock of which forms the bulk of her wealth.

The bridal couple purposed a trip to the Pacific Expositions, via Canada and then will visit Hawaii and the Orient for a year.

Miss Elizabeth Goodrich, life-long friend of the bride, failed to take her appointed place in the bridal party as maid of honor. Her mother explained the absence of her daughter as due to a "trivial difficulty" with the bridegroom.

KILLED ABOUT BICYCLE.

Jim Byrd Shoots Jerry Inman Through the Heart.

(Special to The News and Observer).

Lumberton, July 31.—In an altercation between Jim Byrd and Jerry Inman, both colored, three miles from Fairmont last night Byrd shot Inman through the heart, killing him instantly. The trouble originated about a bicycle. Coroner's jury held Byrd for court and he is in jail.